

Flathead/Lincoln FSA
133 Interstate Lane
Kalispell, MT 59901-2877

(406) 752-4242 Ext. 2

County Committee Members

Judy Olson – Chair
Richard Riedel – Vice-Chair
Kit Stoken – Member
Norm Wendt - Member

FSA Office Personnel

Doug Young, CED
Carol Fladager, PT
Marlene Tidwell, PT
Fred Smith, FLM

Dates to Remember:

March 15 – NAP sales closing date for all crops except value loss and honey

March 15 – Crop insurance sales closing date for 2007 spring-seeded crops

March 31 – Final loan/LDP availability date for Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat and Sesame seed harvested in 2006

March 31 – Deadline to request 2006 GRAZE-OUT payments

April 2 – Deadline for payment limitation changes

May 15 - NAP Pull-Off Date

May 1 - Final loan/LDP availability date for corn, dry peas, grain sorghum, lentils, mustard, safflower, soybeans, small chickpeas, sunflowers harvested in 2006

June 1 – Sign-up ends for 2007 Direct and Counter-cyclical Payment Program



Flathead/Lincoln FSA Office

March 2007

Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to producers of Noninsurable crops when low yields occur as a result of natural disaster. Eligible crops are those commercially produced for food, livestock consumption, and some specialty crops. Eligible producers must pay an administrative service fee of \$100 per crop per administrative county or \$300 per producer per county, not to exceed \$900 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers. **Payment of a service fee does not guarantee coverage.** There are many eligibility requirements that must be met. ***The Application Closing Date for all crops except value loss and honey is March 15, 2007.*** Contact the office for further information.

FSA Working Across Montana

FSA in Montana issued more than \$318.6 million in programs payments and loans to Montana farmers and ranchers during Fiscal Year 2006 running from October 1, 2005 to September 30, 2006. Following is a breakdown of the amounts issued through some of the programs administered by FSA in Montana:

Conservation Reserve Program (CRP)	\$112,473,713
Emergency Conservation Program (ECP)	\$235,611
Direct and Counter-cyclical Program (DCP)	\$110,214,026
Hard White Wheat Incentives Program	\$463,067
Non-insured Crop Disaster Assistance Program (NAP)	\$529,087
Loan Deficiency Payments (LDPs)	\$20,921,038
Milk Income Loss Contract Extension Program	\$1,036,558
12 Youth Loans	\$49,750
85 Beginning Farmer Loans	\$8.1 million
64 Minority Producer Loans	\$4.5 million

A summary of the amounts issued and for what programs may be found on the Montana FSA website at <http://www.fsa.usda.gov/mt>. The summary also includes the total of the amount of payments issued by each individual county.

Honey Loans Available

Marketing assistance loans and loan deficiency payments for 2006 crop year honey are available until March 31, 2007. The national loan rate for honey is \$0.60 per pound. Market prices currently exceed the loan rate, so LDPs are currently not available.

To be eligible for a loan, the producer must have produced honey in the US during the calendar year for which the loan is requested, and extracted the honey on or before December 31 of the applicable crop year; have continuous beneficial interest in the honey through date of repayment of the loan; and been responsible for the financial risk of keeping the bees. Producers are responsible for maintaining the quality of farm stored honey during the term of the loan.

Honey must be produced in the US by an eligible producer, from an approved floral source, and stored in approved containers.

The containers must be marked with the producer's name, type of honey, number of container and net weight. Pre-loan inspections are required before the loans can be disbursed.

Honey used as collateral may not be disposed of without approval of the FSA county office staff.

NRCS Offers Incentive Payments

The Natural Resources Conservation Service (NRCS) would like to announce opportunities for farmers through the Environmental Quality Incentive Program (EQIP). EQIP offers incentive payments for:

- Conversion from conventional tillage to **No-Till** operation. The incentives is **\$27.00 per acre** on a 640 acre limit. A local No-Till participant reported a 30% reduction in fuel consumption, an increase in soil moisture, a reduction in dust particles as well as saving field work time.
- **Precision Ag Methods** or Developing a **Nutrient Management Plan (NMP)** on land with approved conservation cropping systems that are not currently applying fertilizer to MSU standards and application rates. The NMP incentive is **\$55.00 per analysis**. Payments for Precision Ag Methods vary according to type of method use.
- Conversion from conventional to **organic farming** or for farmers that are in the three year process of becoming certified. NRCS offers a **\$35.00 per acre** incentive for up to 100 acres for three years.

Please note: A NRCS Conservation Plan will be developed in conjunction with any of the above practices. EQIP incentives do not cover currently installed practices. Figures and practices are based on 2007 Cost Share Rates and are subject to change in 2008.

Deadline for 2008 funding: June 1st, 2007.

Please contact Angel Rosario or Trisha Cracraft at 752-4242 ext. 3 for more information.

Mixed Grain/Hay Loan LDP Eligibility

USDA does not establish loan rates for mixed commodities. A mixed commodity harvested as grain that does not meet grading standards is not eligible for a loan or Loan Deficiency Payment (LDP). A mixed commodity that is hayed or harvested as silage is not eligible for an LDP.

Eligibility for Grain/Oilseeds/Pulse Crops Harvested as **Grain** – If a mixed commodity is harvested as grain and a farm-stored loan or LDP is applied for, a sample of the harvested crop must be taken to a licensed Federal Grain Inspection Service (FGIS) laboratory for grading, at the producer's expense. Loan or LDP eligibility will be determined based on the results of the sample.

Eligibility for Grain/Oilseeds/Pulse Crops Harvested as **Other Than Grain** – If the mixed commodity is harvested as hay or silage, there is no test to determine the percentage of each commodity in the mixture to establish the grade and class. Therefore, crops planted in a mixture and hayed or harvested for silage are not eligible for an LDP.

A commodity planted as a nurse crop with alfalfa may be eligible for an LDP if a full seeding is planted and the commodity is reported as the intended use for grain or forage. The County Committee may require documentation to support the seeding rate.

Final Loan/LDP Availability is March 31

March 31 is the final loan/LDP availability date for Barley, Canola, Flaxseed, Oats, Rapeseed, Crambe and Wheat.

For the 2006 crop of the commodities listed above, loans and LDP's will no longer be available after March 31, 2007.

Reminder to Wool and Mohair Producers!!

To be eligible for a wool loan or LDP, a producer must maintain beneficial interest (title, risk of loss, and control of the commodity) through the date on which the loan is repaid or the LDP is requested.

To ensure eligibility for loans or LDP's, producers should sign a CCC-633 prior to shearing.

Beneficial interest will be considered to be lost upon delivery to the wool pool or may be lost immediately after shearing.

The 2006 crop year wool and mohair loan rates are the same as the 2005 crop loan rates and vary by region.

eLDP for the 2006 Crop Year Wool, Mohair, and Pelts

Producers are reminded that FSA is offering a secure online Internet-based service. This service allows producers to request LDPs using the Internet and receive payment by direct deposit.

All participating customers will have an eLDP Customer Profile set up. The 2006 crop year for wool, mohair, and pelts are now available and can be established at the local office.



National Agriculture Day is March 21st.

It is a time to celebrate American agriculture and honor the people who work to meet our everyday needs. FSA in Montana thanks the many farmers and ranchers we work with on a daily basis.

Loan Deficiency Payment Requests (LDP) on CCC-633ez

The 633-EZ form is a two-part loan deficiency payment request that allows producers to:

- Indicate their intentions to receive LDP benefits before losing beneficial interest in the eligible commodity, and
- Submit a request for an LDP at any time during the loan/LDP availability period before or after losing beneficial interest.

By signing the first page of the EZ form, the producer indicates his or her intentions to receive LDP benefits. This one page covers all counties and all eligible harvested commodities for the entire crop year for the individual, joint operation or entity identified on the form.

Once the first page of the form has been signed and submitted, the producer can submit an LDP request by completing page 2 for all harvested commodities, or page 4 for wool, mohair and unshorn pelts. The LDP request can be submitted at any time during the loan availability period, before or after losing beneficial interest.

Page 1 of the EZ form must be signed before beneficial interest in the commodity is lost. Once beneficial interest is lost the commodity is ineligible for an LDP even if beneficial interest is regained.

All producers are encouraged to submit page 1 of the EZ for each crop year whether or not they plan to subsequently request a loan or LDP.



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March 31 – final loan/LDP availability date for certain commodities harvested in 2006

April 2 – Deadline for payment limitation changes

May 31 – Final loan/LDP for various crops harvested in 2006

June 1 – Sign-up deadline for 2007 DCP

Make Sure Your Proper Signature Authorization is on File

FSA is currently reviewing every producer's eligibility file. This includes a review of all entity documentation on file to determine who is authorized to sign program documents in representative capacities and a review of all program documents to determine if the signature format is proper. This review must be completed before any 2007 crop year program payments will be issued.

There may be some slight delays in issuing payments while the review is being completed. The County Office staff will be working very hard on reviewing the files as quickly as possible and may contact you if further eligibility documentation is necessary.

If you are contacted by your local FSA Office, you will be asked to provide copies of legal documents specific to your organization.

For a complete listing of FSA signature requirements, contact the FSA office or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt> and click on the **Signature Authority Pamphlet** link under "In the News."

Direct and Counter-cyclical Program Signup (DCP) Reminder

Producers wanting to receive 2007 DCP payments have until **June 1, 2007** to signup or pay a \$100 late filing fee.